

APPROVED 02/11/2008

Present: Charles Kimball Chair, Peg Pinkham, Pat Martel, Andy Kohlhofer, Donald Gates, Jr., Mike Nygren, Public Keith Stanton who videotaped the meeting, and Recording Secretary Kathy Arsenault

Charles Kimball Chair called the meeting to order at 7:13 pm.

Pinkham would like to address the Budget Committee agenda. She read the agenda from Heidi Carlson, which includes changes in the election budget. These will be presented next week. A brief discussion about the Primary and issues to be addressed for the next election began.

Kimball began with the School District Budget / Page 20.

1100 General Education

Kimball started with after school tuition for \$8,500 that was added this year, and as he stated was never there before. This was moved from 1400 - Extra Curricular. Martel asked if the \$16,500 (Page 97) is correct, it is down \$8,500. Pinkham has this noted; she doesn't have an answer, but will get an answer for the Committee for next week. Pinkham noted that some of this is mandated and is dictated by current enrollment numbers.

Nygren stated that he has a problem with line 5122. The Substitutes have a \$25,000 increase, its \$70/hour with 220 days of replacement. He understands that part of this was voted in as part of the negotiations, but to jump \$25,000 in a line item, he believes is either bad management problems, or an expected long-term illness that should be considered as a leave of absence. Pinkham stated that we have always run way over budget, and have always had to redirect funds. Nygren stated that he has a feeling that the school has a way of finding money in the last few years, and he doesn't think that the town gets back the money that it should. He continued that they shouldn't have carte blanche on people that don't want to come to work. Pinkham stated that Annmarie and the Superintendent have pointed out that we have been moving money out of these line items that didn't address the true cost of previous budgets of supplemental support. She continued that we have to nail it down and it shouldn't have to be moved. Pinkham said that she would ask Annmarie for the last 2 or 3 years with a real number of what has been used in substitution.

***Martel asked if the number for 07 is accurate because the 09 budgets are exactly what were spent in 07/08. Pinkham is not sure. Martel asked did they under budget. Pinkham will note these questions and get back to the Committee next week with more defined answers. ***

Kohlhofer asked what the difference is between professional, general and personal substitutes. Pinkham explained that some are defined as professional, while others are certified in special classifications. Kimball reminded that this is general education, not special education. Pinkham stated yes, but being K-8, some have to be certified in particular areas. Pinkham noted that she wants to be able to give the Committee definite answers, but doesn't have all of them tonight.

Kohlhofer stated that the final round of this is 3 weeks from tonight. Pinkham reminded that these questions have not come up before.

***Pinkham stated that we may be running out of time now, but the answers to some questions are not available for the next budgetary session. ***

Kohlhofer stated that most of this is contractual, and if some of these substitutes were cut, it would affect everything else down the line. Pinkham noted that yes; substitutes are a part of the contract. Nygren stated that somewhere along the line the Administration has to step in. Pinkham stated that we work to contract. Nygren believes that it is an excessive figure. At \$70 and you budget for 490 sick days, there is a problem. Pinkham said that she needs to make the point clear that it is a concern of the present Administration; they have been closely monitoring this the last two years. We are not neglectful of what we are seeing.

Nygren stated that if you take 30 teachers and give them 6 sick days it is 180 days, and yet they are asking for 500. Nygren made a motion to reduce Line – 5122 from \$41,105 to \$20,000. Kohlhofer seconded the motion. Majority voted in the affirmative.

Pinkham asked if the Budget Committee is prepared to speak to this issue. She continued that it is very hard to stand up at a budget meeting and speak to those that are teaching your children. Pinkham continued that she voted in the affirmative, but will not argue this for the Budget Committee. Kohlhofer will put this in the Budget Committee's Rationale.

Kohlhofer asked about Line – 5124 for professional substitutes, asking if for fiscal 07 are these actual or are items moved around. He noted that it is back up to \$16,852 from \$4,900. Pinkham replied that Annmarie has stated this is what has actually been spent. Kohlhofer stated that the report doesn't show what has been spent in 07. McElroy added that we don't know what was budgeted either. Pinkham stated that the budget was \$4,900, but they spent \$16,852. Pinkham said that Annmarie only requested for this year, what was spent last year. Kohlhofer suggested tabling this until we find out actual expenditures on substitutes. Majority agreed.

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Kohlhofer asked did we get a resolution from the letter Annmarie sent about the tuition. Pinkham stated no resolution, but we did get a response. She continued that it is about the interpretation of the contract and we have sought legal expertise. She added that we have sent a response back. If their answer doesn't concur with our interpretation, we will take it to the next step and possibly challenge it. Kohlhofer stated that this is the \$86,000. Kohlhofer made a motion to reduce Line - 5561-30 to \$2,743,506. Pinkham seconded the motion. McElroy stated that we have an agreement and then it is rebated afterwards. Pinkham said our understanding of the agreement has become legal interpretative issues at this point, adding that we have to be very careful here. Kohlhofer stated that we are going to vote on this in 2 weeks anyway and we may have the resolution by then. Pinkham stated that she didn't believe that we will have it in 2 weeks. She continued that both parties had an honest agreement. It has come to other people that became involved afterwards and their understanding of it. Pinkham stated that there wouldn't be

an answer in a short period of time. Kimball stated that if it becomes a shortfall, at annual meeting they could ask for it then and amend the warrant article. Pinkham, stepping back as a committee member, said that she would support Kohlhofer's motion; however she is removing herself from the vote. She continued that the answer would not be here at the annual meeting and advised the Budget Committee to be prepared that you will push us into a deficit budget.

Majority voted in the affirmative with Pinkham abstaining.

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Peter Bearse entered the meeting at 7:45 pm

Kohlhofer asked if the NWEA testing is done in place of grades. McElroy stated no that this is placement within the State. Pinkham added that not only is it secondary, it is different. Some discussion regarding grading systems took place. Pinkham stated that some testing couldn't be reflected in a straight "a" "b" "c" or "d" format. The resources from different educational profiling and from parents are telling us that it is not enough. It is concurrent with different NWEA and No-Child Left Behind. She continued that there is a pilot program and traditional grading going on. Kohlhofer stated that he doesn't necessarily buy into the idea that extra money is worth it. Kohlhofer stated that this is the 3rd year and if we don't improve on the statewide testing, he would not vote to continue this program. Pinkham asked if you think you can't see improvement, could I ask the administration to come in and speak to this. Kohlhofer said no, he just wants to know what the testing has been like. Nygren added that there is some improvement, but they are having difficulty in 6-8th grade. Nygren then read aloud some of the testing results. Pinkham stated that the Administration would come in and speak to this.

***Kohlhofer stated that he is not going to challenge it this year, but he will be asking for improvement numbers next year. ***

Bearse asked if the Committee knew what the basis of the complaint was from a letter that was from a resident who challenged this very point. He could not recall what point of the woman's complaint was, regarding the new grading system. Pinkham stated that it was basically a lack of communication on the grading system. Bearse asked again what her complaint was. Pinkham suggested referring to past School Board letters and emails to view their responses. She continued that her (the resident) questions were to the grading system and the pilot program. Pinkham added that the pilot program is being encouraged and applauded. Pinkham continued that she (the resident) doesn't like the change of the system. Unfortunately she was very reactionary, instead of coming to us and asking about the changes. She added that there was a change and they were not communicated enough as to why. Bearse asked did someone get back to her. Pinkham said yes we answered her, but she didn't like our answer.

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After brief discussion, Kohlhofer made a motion to reduce Line – 5645-10 Periodicals by \$500. Martel seconded the motion. Majority voted in the affirmative with Bearse abstaining.

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Pinkham stated we are making a very hard cut, we were encouraged to keep our numbers low, but expect at some point you could get hit. Kohlhofer stated that you haven't cut, because your numbers are still up. You have a contract with the teachers you can't afford. Pinkham stated that the teacher contract is not hurting our school. She continued we have made a cut in administrative, and on a contractual agreements. Kohlhofer stated that the bottom line is that the contract is cutting into your ability to provide for other issues at the school. Pinkham stated - did we as a School Board and Administration make cuts that negate contractual increases, yes we did. Kohlhofer said we appreciate that you didn't come back with 10% increases; however the overall budget is increasing 5%. Pinkham added that the Budget Committee has made cuts outside of agreements that are contractual that the town voters approved. Kohlhofer said unfortunately it is the contracts that are hurting us.

Kohlhofer asked if Professional Dues (Line – 5810-10) are part of the contract, whereas they are so minimal he believes they should be paid out of their own pockets. Pinkham said yes they are part of the contracts.

A brief discussion regarding COLAs and merit based increases took place.

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1200- Special Education

Kimball asked where you entered in the new program that was voted in last year. Martel stated that it is not in Special Education. Pinkham added that the Gifted & Talented Program is not Special Education, although kids that qualify for this program are at both ends of the spectrum.

Kohlhofer asked with regard to case managers in Special Education, why do we need it in Kindergarten. Pinkham stated we have kids coming up and being identified at age 3. Kohlhofer noted that it is a voluntary federal program that is State accepted. Pinkham stated that it is to help the kids and the families in that age group. Kohlhofer asked could we get by with 3 case managers instead of 4, as they are not required. Pinkham said we could up the teacher/student ratio, but she didn't believe it would best serve our community by doing so.

Bearse stated that the dollar figure show you have less preschool teachers and preschool teacher's aids. McElroy asked is that due to the cuts. He continued that on (Page 26) there is a cut of over \$42,000 for preschool teacher salary. Pinkham stated that we were asked to redirect them to the grade level specific, adding that you will see changes throughout the budget. She continued that in all fairness we need to look at the overall budget appropriations. This format was intended to be easier. Pinkham stated that the educational law dictates we have these services, adding that it is unfortunate that we don't do even more. Bearse asked but how many less preschool teachers do we have to go with this negative number and how many less preschool aids did we have to go with that negative number. Pinkham stated that she wants the Administration to come in and speak to these questions.

After some discussion it was agreed that next year, the Budget Committee would need to meet with the School District and/or Annmarie Scribner several times. This would allow enough time for digesting of the proposed budget as well as generous time for questions and answers.

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1200 - Special Education

Bearse asked to go back to Page 26. He questioned that with a zeroing out of the tutors, are there no tutors? Kimball responded that they have been moved around and into the Kindergarten program.

Martel asked about the tuition for private and other. (Line – 5564-00) She asked is the increase related to the decrease for the non-public high school. Pinkham stated it is a decrease that was an anticipated change of a private tuition to non-NH public.

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Kohlhofer asked if the Periodicals (Line – 5645-10) are covered by contracts. Pinkham stated yes, and they are supportive journals and legal representation in journals as well.

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Bearse asked for an explanation of the replaced Special Education computers. Kimball explained that it is anticipated amount for something that is broken or worn out. It's classified as replaced because it is something that they already have, not a new purchase.

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1270- Gifted & Talented

Kimball and Martel asked how many kids are in the program. Pinkham stated 80%. Martel questioned the 80% and asked for clarification of 80% of the population or 80% are benefiting. Pinkham responded that 80% are benefiting. Kohlhofer stated that he is concerned about the presentation of this program and now it is going up over \$23,000 this year. Nygren stated that with benefits of over \$14,000, it is a matter of what was appropriated and what was spent. Pinkham responded that she objected to this as well, and didn't like the way it was brought forward. Although the School Board does support Gifted & Talented Program, it has taken a different direction than the way it was brought up on the floor at town meeting. Kohlhofer believes that this is an open-ended program that once you start; you can never get free of. Pinkham reminded that 80% of the kids are benefiting from this. She added that she could ask the teacher to come in and speak on the program's behalf. Kohlhofer said no, there isn't time for that.

A heated discussion began regarding the program, criteria for the program, budget for the program and the over \$20,000 increase for the program.

Motion to recess was called at 8:40 pm by Kimball.

The meeting was returned to session at 8:45 pm by Kimball.

Kohlhofer moved to strike the Gifted & Talented Program. Martel seconded the motion. Bearse asked when might there be an attempt by the School Board to evaluate this program. Pinkham asked if the Board would grant her time to have the teacher come in and speak to the evaluation process and where we are addressing the needs. Gates noted that Bearse is asking for data to show how productive the program is. He continued that it is important for people to know what the starting point was and where we are today, and if it is a very effective program people would vote for it again and if not, it wouldn't be supported. Pinkham said the program has been started, but you are not going to get historical data after only 6 - 10 months. We had already planned to have information available at the School District meeting. She continued that we expected questions, but typically it is about 2 to 3 years for that type of data to be available.

Kohlhofer stated even if we try to get it out, once we commit to this program, it is a forever program. Everyone has a grand idea on how we can make education better. That is why education costs are out of control.

Pinkham stated that you may not have time to have the teacher speak, but at least be open to the time it takes to get that data. Martel stated that for now, there isn't time to evaluate, but Peter wants to know the criteria for children to participate in the program. Martel continued that she sees a \$60,000 program turning into \$95,000 program. Bearse stated that we all want the information. He continued that you made a blanket statement that 80% benefit from the program, but you are not telling us how they are benefiting. He questioned in going back to the increase, how is it justified. Pinkham stated that it was justified from the floor, and that person did not understand what it takes to hire someone. The School Board had to fulfill the wishes that were voted in.

Nygren asked if there was a contractual service for English as a 2nd Language in FY07. He continued are we obligated by State mandate to have that tutoring because the money had to come from somewhere. Pinkham said that we are obligated to give the tutoring, yes. Nygren asked why we couldn't eliminate the \$8,000. Pinkham responded that you can reduce it to \$1.00, but you can't eliminate it. Nygren stated that the funds had to come from somewhere and yet, it is not explained. Bearse asked why you wouldn't have tutors for Gifted & Talented. Pinkham wasn't sure. Kohlhofer stated that we could amend his motion to leave the \$8000 in there.

Kohlhofer made a motion to amend the motion to reduce the amount by \$86,848. Martel second. Majority voted in the affirmative.

Kimball motioned to vote on the new bottom line of 1270- Gifted & Talented at \$8,000. Kohlhofer seconded the motion. McElroy, Bearse, Pinkham, Nygren and Gates voted in the negative. Martel, Kohlhofer and Kimball voted in the affirmative. The motion was defeated.

Bearse made a motion to fund the program at the same level it was last year \$73,869.00. Kohlhofer seconded the motion. Majority voted unanimously in the affirmative for a bottom line of \$73, 869.

Motion to recess was made by Nygren and seconded by McElroy. The meeting was recessed at 9:10pm.

The meeting was returned to session at 9:15pm by Kimball.

Martel wanted to make a note that she is not against the Gifted & Talented Program; she believes that there is extra money within the budget, enough to support the teacher.

1400 - Other Programs

5610- PBIS

A detailed discussion took place regarding the PBIS program, its history, its benefits and supplies need to support it.

Kohlhofer asked do we need a \$5,000 increase when the population hasn't gone up. Pinkham explained that some of it was grant funded previously. The materials are to help further positive responses. She continued that we have seen positive results. Kohlhofer said that the difficulty is you would have to be an education expert to get the nuance of all this stuff. Pinkham stated that what we are asked to see and deal with in our schools has changed. She asked do we turn our back on the kids or do we step up to the plate. Kohlhofer asked why do we have to step up to the plate, when the parents won't.

Kohlhofer made a motion to reduce (Line – 5610) to \$7,500. Gates seconded the motion. Majority voted in the affirmative with Bearse and Pinkham voting in the negative.

5731-10 - New Equipment

After a brief discussion about the New Equipment (Golf Program), Kimball made a motion to reduce it by \$500. Nygren seconded the motion. Majority voted in the affirmative for the bottom line of \$1000, with Nygren and McElroy voting in the negative.

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2110 – Truant Officer

Kimball stated that the school has to have one, and typically it has been someone (the Chief) from the Police Dept. Pinkham stated that we now have a truant officer and he is not the chief of police. Kimball added that his pay is his police salary. Pinkham stated that he does it for the benefit of the families and the children. Kimball said that up until now, the police have been tending to truancy issues. Pinkham said that now they have officially appointed a Truant Officer. Bearse asked about a number other than \$1.00. Kimball stated that line is open just in case

something happens or the situation changes. Kohlhofer asked is he volunteering his time. Pinkham said no. Gates stated, but at some point in time it could happen that we could get a bill from the Truant Officer. Pinkham said yes, but his decision to do this was not a monetary one. She continued that it allowed the Truant Officer the opportunity to resolve why kids are truant. It is his way of supporting the kids. Pinkham added that we have a great truancy officer.

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2120- Guidance

Kohlhofer asked how many guidance counselors law requires. Martel noted that the requirement is 1/300 students. We have 2 guidance counselors. Kohlhofer stated that when you talk about cutting stuff, there still looks as though there is plenty of money to make up for it. Pinkham stated that she supplied the Budget Committee with the information as to what the School Board cut. Martel noted that the budget is down, but the book adds up to \$10,300,000. Pinkham said that she would get information as to exactly where the School Board made cuts, adding that it would be helpful to the Budget Committee. Bearse asked why the guidance test materials were cut, from \$5000 to \$3000. Pinkham will get an exact answer for him as well as the Committee. Martel asked with the guidance counselor at the top step, do they all get hired at a top step. Pinkham replied no they are hired at the step if they are educationally and/or higher qualified for it. Pinkham added that some come in at higher step, but we do hire at lower steps as well. We are looking for diversity and for people who fit the criteria.

Bearse asked is there a separate school psychologist. Pinkham said that position overlaps guidance, but yes there is a separate school psychologist.

Kimball asked why assembly programs went up this year. Pinkham wasn't sure and will get back to the Committee with the answer.

Accept
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2130 – Nursing Services

Nursing Services are increased with a part-time nurse. Kohlhofer stated that this is what concerns him, costs are going up, but we don't really know what was spent. He continued that next year, we need numbers like we get from the Town budget, so we have a sense as to how and why it is being spent. Pinkham stated that they went up on expenditures. Martel added that there is no rationale. Nygren stated that you are looking at a year and a half into receiving final numbers. Pinkham stated that to put a cap on spending, the voting populous could make a recommendation to not allow line item transfers. She continued that in doing so however, you are going to be holding us very tight. When you do that you are forcing them into making decisions, you have to have supplies, and when you can't move money it forces people to over inflate projections. Martel noted that they do have a budget to follow. Gates stated that it doesn't make sense to go line for line and be that tight. They need some latitude. Martel stated that where she is employed, the city is holding departments' line for line, and when they need more money they

have to go to the City Council. Gates stated that the only true way to cut is to cut jobs, staff reduction, or doing more with less.

Bearse stated that it would be a great help to have a column with estimated expenses. McElroy added that the Budget Committee had mentioned that previously, including the spending from the year before. He added that Annmarie had said she could do that next year. He continued that it would answer the question as to where you spent and/or over spent. Discussion continued regarding budgeted and actual spent columns. Nygren noted that we are looking for justification and insight, adding that we still didn't get the answer as to where we got the money for the SAU rent. Kohlhofer stated that we need to start receiving numbers in the format like the Town gives to us.

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2140 Psychological

Bearse asked why Line 53300 goes from \$1.00 FY08 to \$12,000 in the FY09 request. He also questioned why Line 53310 goes from \$1.00 FY08 to \$6,000 in the FY09 request. Pinkham stated that was for contracted services. Martel asked where we see it spent. Nygren noted that actually they asked for \$8,000 and we reduced that line to 1.00. He continued that it was moved to full time and it is contractual. Pinkham stated that it comes down to being able to hire people and finding people qualified to provide the services for the amount granted. Since we expended it we took it. She continued that we had to take it from somewhere else, so we moved the money. She added that if you need more defined information, she would ask Annmarie to speak to that. Bearse asked, but why do we have a 24% increase. Pinkham said to go back to what the expenditures in 07 were. Kohlhofer stated that they under budgeted last year. Pinkham said yes, we under budgeted.

Kohlhofer asked if the tests performed by contracted people, is it because she is not licensed to do the testing. He added that at \$63,000 isn't that full time. Pinkham replied yes it is full-time and she doesn't have the time to perform the testing. Martel noted that she is above the teachers on the salary schedule. Nygren stated that is because she is not a teacher, she is Administration.

Bearse stated that the actual expenditures for 08 are significantly higher than what is requested. Kimball stated that we don't have all the information yet. Pinkham replied that we see what has been spent, but we don't pay certain things at the same time as others. Pinkham reminded that the School Board and the Administration have given money back before. She continued that if the Budget Committee feels that they want to hold us to such a strict bottom line, and be forced into deficit, then we are going to have to come back and ask for the appropriation. When we don't spend it we turn it back and we don't spend carelessly. Kohlhofer stated that when you cut you have to answer to your constituents, yet we have to answer to the people that can't afford their homes anymore. Martel referred to page 101, stating \$43,000 in raises, that is an area to cut and the psychologist is one of them. Pinkham stated that she has increased her hours. Martel stated that some of these raises were at 4.5% merit plus \$10,000 in classification. Pinkham said we are looking at 2%, and are still under negotiations. Martel said yes, but she is the under

Administration. (School Psychologist Brenda Fabrizio) Pinkham stated that she would ask Annmarie to come in and speak to this. Nygren questioned that with the increase of 1 day a week, why are we increasing services. Kohlhofer concurred stating that this is his argument. He continued that someone has got to say stop to this way of running education. It seems that schools are doing everything but educate. He added that we are a town of 4200 people and we have a school budget of \$10,000,000.

Discussion regarding this item continued.

Nygren stated that earlier in the year he had asked Annmarie for a list of un-anticipated contract services that had to be used for SPED Psychological contracted services for 2007. He stated that the actual (from invoices) was \$44,286. It was the only one (from what Annmarie had sent to him) that was way out of line. Pinkham asked to see his information so that she could see where he was coming up with these figures. She will speak to Annmarie more about this. Nygren stated that he had asked Annmarie to give him the figures so that we could identify where we spent the money.

Pinkham questioned the Committee whereas this is largest part of our taxes (the school budget), why do we (the Budget Committee) only hold ourselves to 2 meetings. Perhaps we need to have more or do we need to have the Administration here for every meeting? Pinkham doesn't believe that we can (in the future) continue to accomplish this in 2 meetings. McElroy agreed also stating that perhaps the Budget Committee needs to focus more on completion of the Town budgets before the end of the year.

Martel made a motion to recommend a bottom line of \$89,448.29 McElroy second the motion. Majority voted in the affirmative.

Some discussion continued regarding scheduling of future meetings. Kohlhofer made a motion to change the meeting time on Wednesday January 30, 2008 to 6:00 pm. Nygren seconded the motion. Majority voted in the affirmative.

The next scheduled meeting of the Budget Committee is Wednesday January 30, 2008 at 6:00 pm.

Motion to adjourn was made by Kohlhofer and seconded by Gates. The meeting adjourned at 10:40 pm.

Respectfully submitted,

Kathy Arsenault
Recording Secretary